

# **Heronbridge Close RTM Company Ltd**

Financial Statements for the year ended

31 December 2012

Company limited by guarantee No 05494732

# **Heronbridge Close RTM Company Ltd**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31ST DECEMBER 2012**

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**HERONBRIDGE CLOSE RTM COMPANY LTD**

**REPORT OF THE DIRECTORS**

**YEAR ENDED 31ST DECEMBER 2012**

The Directors submit their report together with the financial statements for the year ended 31st December 2012.

**PRINCIPAL ACTIVITIES**

**Right To Manage Company**

The principal activity of the company is to manage, maintain and administer land and buildings at Heronbridge Close, Westlea, Swindon. The company is a "Right To Manage" (RTM) company operating under the standard RTM terms of Memorandum and Articles of Association as determined by the Commonhold and Leasehold Reform Act 2002.

**BUSINESS REVIEW**

The Right to Manage was acquired on the following dates; numbers 1-6 and 19-24 Heronbridge Close from 1 February 2006 and numbers 7-12 from 25 December 2008.

The service charge for the year to 31 December 2012 was £495 per property (2011: £495) payable in ten monthly instalments of £49.50 (2011: £49.50) or £435 (2011: £435) if paid in full in advance if no arrears are brought forward.

During the year a large part of an undercloak on block 7-12 fell out onto the adjoining roof. Fortunately this section of roof was mid-terrace and therefore the debris did not fall to the pavement below. A surveyor's report was commissioned and as a result all the undercloaks for the three blocks were subsequently raked out and re-cemented. The car park chippings of block 7-12 were topped up and the grounds of the three RTM blocks continued to be maintained to a high standard by the gardening contractor. The condition of the three blocks has improved considerably since the Right To Manage was exercised.

The directors provided their services to the company and leaseholders on an unpaid basis during the year other than for the professional costs to prepare these statutory accounts for which a fee of £250 (2011 - £220) will be paid. During the year they donated to the company the fees they received of £240 (2011 £200) for administering lease assignments. With effect from January 2013 the directors will be paid an agreed managing fee.

**AUDIT**

The company has taken advantage of The Companies Act 2006 (Audit Exemptions) Section 477(2).

**DIVIDENDS**

The Articles of the company do not permit the payment of dividends.

**RESERVES**

The retained profit for the year taken to reserves was £3,387 (2011: £5,027). This has been retained to meet future maintenance costs in particular the expense of rebuilding the boundary walls.

**HERONBRIDGE CLOSE RTM COMPANY LTD**

**REPORT OF THE DIRECTORS**

**YEAR ENDED 31ST DECEMBER 2012**

**COMMONHOLD AND LEASEHOLD REFORM ACT 2002**

Sections 152 and 156 of the Commonhold and Leasehold Reform Act were expected to commence during 2009 but have yet to be enacted. Items that these sections are likely to require include:

*That as all transactions currently shown in the company relate to service charges these cease to be shown in the accounts of the Company. This is because funds held by the Company are held in trust on behalf of tenants (leaseholders).*

*An Income and Expenditure Report and Balancing Statement be produced within six months of a year end.*

Clear guidance has not yet been issued on the new format to be adopted. Therefore the directors have prepared these accounts on the same basis as previous years in order to maintain consistency. An Expenditure Report and Balancing Statement in a format expected to be agreed is shown on page 8.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2012 to the date of this report.

Diana A Morris  
John R Morris FCMA CGMA AIRPM

BY ORDER OF THE BOARD



Diana A Morris  
Director  
11 January 2013

Registered Office:  
15 Windsor Road  
Swindon  
SN3 1JP

<b>HERONBRIDGE CLOSE RTM COMPANY LTD</b>			
<b>Profit and Loss Account</b>		<b>2012</b>	<b>2011</b>
<b>For the year ended 31 December :-</b>			
	Notes	£	£
<b>TURNOVER</b>	2	8,550	8,690
Administrative expenses	10	(5,175)	(3,722)
<b>OPERATING PROFIT</b>		<b>3,375</b>	<b>4,968</b>
Interest receivable and similar income	6	12	59
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>	7	<b>3,387</b>	<b>5,027</b>

# HERONBRIDGE CLOSE RTM COMPANY LTD

Balance Sheet as at:-	Notes	31st December 2012		31st December 2011	
		£	£	£	£
<b>CURRENT ASSETS</b>					
Cash at Bank		24,707		16,401	
Debtors	3	194		377	
		24,901		16,778	
<b>CREDITORS</b>					
Amounts falling due within one year	4	(5,947)		(1,211)	
<b>NET CURRENT ASSETS</b>			18,954		15,567
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>18,954</b>		<b>15,567</b>
<b>RESERVES</b>					
Profit and loss reserves	7		18,954		15,567
<b>Leaseholders' Funds held in trust</b>			<b>18,954</b>		<b>15,567</b>

- a. For the year ending 31 December 2012 the company was entitled to exemption under section 477(2) of the Companies Act 2006.
- b. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- c. The directors acknowledge their responsibility for:
- ensuring the company keeps accounting records which comply with Section 386; and
  - preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as is applicable to the company.

Diana A Morris

*D. A. Morris*

Director

The financial statements were approved by the board of directors on 11 January 2013.

<b>HERONBRIDGE CLOSE RTM COMPANY LTD</b>			
<b>Cash flow statement</b>	Note	<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>
Net cash inflow from operating activities	8	8,294	2,395
<b>Returns on investments and servicing of finance</b>	6		
Interest received		12	59
Increase in cash		8,306	2,454

**HERONBRIDGE CLOSE RTM COMPANY LTD**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2012**

**1 ACCOUNTING POLICIES**

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Company's financial statements.

**(a) Basis of Preparation**

The financial statements have been prepared in accordance with applicable accounting standards under the historical cost accounting convention.

**2 TURNOVER**

Turnover represents the amounts derived from the provision of services during the year, exclusive of value added tax.

	<b><u>31.12.12</u></b>	<b><u>31.12.11</u></b>
	£	£
Service Charges	7,830	7,830
Instalment fees and late payment charges	480	660
Lease assignment and enquiry fees	240	200
	<b><u>8,550</u></b>	<b><u>8,690</u></b>

**3 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b><u>31.12.12</u></b>	<b><u>31.12.11</u></b>
	£	£
Trade Debtors (outstanding Service Charges)*	120	307
Payments in advance (part of next year's insurance premium)	74	70
	<b><u>194</u></b>	<b><u>377</u></b>

\* Flat 1 £120

**4 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b><u>31.12.12</u></b>	<b><u>31.12.11</u></b>
	£	£
Accrued expenses (costs not yet paid)	2,692	1,082
Service Charges received from leaseholders in advance	3,255	129
	<b><u>5,947</u></b>	<b><u>1,211</u></b>

**5 CONTROL**

No one person controls the company.

**6 INTEREST RECEIVABLE**

	<b><u>31.12.12</u></b>	<b><u>31.12.11</u></b>
	£	£
Bank Interest	12	59



**HERONBRIDGE CLOSE RTM COMPANY LTD**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2012**

**7 RESERVES**

	Profit and loss reserve £
As at 1st January 2012	15,567
Profit for the year	3,387
As at 31st December 2012	<u>18,954</u>

**8. - 9. NOTES TO THE CASH FLOW STATEMENT**

**8 Reconciliation of operating profit to operating cash flows**

	<u>31.12.12</u>	<u>31.12.11</u>
	£	£
Operating profit	3,375	4,968
Decrease / (Increase) in debtors (note 3)	183	(215)
Increase / (Decrease) in operating creditors (note 4)	4,736	(2,358)
Net cash inflow from operating activities	<u>8,294</u>	<u>2,395</u>

**9 Analysis of changes in cash during the year.**

	<u>31.12.12</u>	<u>31.12.11</u>
	£	£
Balance brought forward	16,401	13,947
Net cash inflow	8,306	2,454
Balance at year-end	<u>24,707</u>	<u>16,401</u>

*Notes 10 and 11 do not form part of the statutory accounts*

**10 Detailed Profit & Loss**

	<u>31.12.12</u>	<u>31.12.11</u>
	£	£
Total Income (note 2)	8,550	8,690
Site Maintenance - paving	0	(1,400)
Car park maintenance	(550)	-
Building maintenance	(1,936)	-
Gardening	(1,514)	(1,224)
Accountancy	(250)	(220)
Insurance	(864)	(823)
Postage, stationery and website	(47)	(41)
Companies House fee	(14)	(14)
	<u>(5,175)</u>	<u>(3,722)</u>
Operating profit	3,375	4,968
Add Interest received (note 6)	12	59
To General Reserves	<u>3,387</u>	<u>5,027</u>

**HERONBRIDGE CLOSE RTM COMPANY LTD**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2012**

**11 Income and Expenditure Account**

*- as may eventually be required by the Commonhold and Leasehold Reform Act 2002*

<b>Income:</b>	<b><u>31.12.12</u></b>	<b><u>31.12.11</u></b>
	<b>£</b>	<b>£</b>
<b>Service Charges receivable from tenants</b>		
Service Charges	7,830	7,830
Additional income	480	660
<b>Total</b>	<b>8,310</b>	<b>8,490</b>
Interest (net of tax)	12	59
Other Income: - lease transfer fees	240	200
<b>Total Income</b>	<b>8,562</b>	<b>8,749</b>
 <b><u>Expenditure:</u></b>		
<b>Repairs and Maintenance</b>	2,486	0
 <b>Grounds Maintenance</b>		
Gardening - all areas	1,514	1,224
Site Maintenance - paving	0	1,400
Site Maintenance - fencing renewal	0	0
	1,514	2,624
 <b>Professional Fees</b>		
Accountancy fees	250	220
	250	220
 <b>Insurance</b>	864	823
 <b>General Expenses</b>		
Postage stationery and website	47	41
Companies House Fees	14	14
	61	55
 <b>Total Expenditure</b>	<b>5,175</b>	<b>3,722</b>
Surplus at end of accounting period	3,387	5,027
 <b>Surplus Transferred to Reserves</b>	<b>3,387</b>	<b>5,027</b>
 <b><u>Balancing Statement</u></b>		
	<b><u>31.12.12</u></b>	<b><u>31.12.11</u></b>
	<b>£</b>	<b>£</b>
<b>Assets</b>		
Sums paid in this period but relating to a subsequent period	74	70
Service Charges due from leaseholders	120	307
Cash at bank	24,707	16,401
	<b>24,901</b>	<b>16,778</b>
 <b>Liabilities</b>		
Service Charges received from leaseholders in advance	(3,255)	(129)
Costs relating to this or previous period but not yet paid	(2,692)	(1,082)
<b>Current Liabilities</b>	<b>(5,947)</b>	<b>(1,211)</b>
 <b>Net Assets</b>	<b>18,954</b>	<b>15,567</b>
 <b>Reserve Fund</b>	<b>18,954</b>	<b>15,567</b>